

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1707 - SB 1588

March 25, 2011

SUMMARY OF BILL: Grants all Tennessee Board of Regents (TBR) and University of Tennessee (UT) full-time employees a \$2,000 one-time salary increase in FY11-12 and grants all part-time employees a proportionate one-time salary increase in FY11-12.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$50,336,000/FY11-12

Assumptions:

- TBR and UT calculated the impact using full-time-equivalent (FTE) positions which include part-time employees. Each FTE will receive a one-time \$2,000 salary increase in FY11-12.
- TBR has 15,722 FTEs. The increase in state expenditures for TBR FTEs will be \$31,444,000 (\$2,000 x 15,722).
- UT has 9,446 FTEs. The increase in state expenditures for UT FTEs will be \$18,892,000 (\$2,000 x 9,446).
- The total increase in state expenditures for all TBR and UT FTEs will be \$50,336,000.
- Benefit increases have not been included in this estimate and it is assumed that the one-time salary increase will not include a proportional one-time increase in benefits.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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